

VERMONT MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM

Conference Call Meeting of the Board of Trustees

February 8, 2017 – 3:00 p.m.

VMERS Members present:

PETER AMONS, Chairperson, Employee Representative (term expiring July 1, 2020) – via telephone

MEL HAWLEY, Employer Representative (term expiring July 1, 2018) – via telephone

DAVID ROWLEE, Employee Representative (term expiring July 1, 2018) – via telephone

MICHAEL CLASEN, Deputy Treasurer, representing Beth Pearce

Board members absent:

VACANT - Employer Representative (term expiring July 1, 2020)

BETH PEARCE, Vermont State Treasurer

Also attending:

Laurie Lanphear, Director of Retirement Operations

Mark DiStefano, Attorney General's Office

Joshua McCormick, Administrative Coordinator, Retirement Division

Matt Considine, Director of Investments, Treasurer's Office

Katie Green, Investments Manager, Treasurer's Office

Jennifer Burdick, Retirement Division

Dawn Neddo, Program Technician, Retirement Division

The Chairperson, Peter Amons, called the Wednesday, February 8, 2017 conference call meeting to order at 3:00 p.m., which was held in the Treasurer's Conference Room, fourth floor, 109 State Street, Montpelier, VT.

Mr. Clasen asked the Board for changes to the meeting agenda. First, to have the Town of Fair Haven letter moved to item #2 and to have a new item added, "Municipal Retirement Employer and Employee Contribution Rates". The Board acknowledged this request.

ITEM 1: Approve the minutes of:

- **December 1, 2016**

- **January 26, 2017**

On motion by Mr. Clasen, seconded by Mr. Rowlee, the Board voted unanimously to approve the minutes of December 1, 2016 and January 26, 2017 as amended.

ITEM 2: Town of Fair Haven Letter

The Board discussed with Ms. Burdick and Mr. DiStefano about a letter received from the Town of Fair Haven concerning Title 24 V.S.A. section 5051(10). After discussion, the Board directed the AG Attorney to draft a response to the Town of Fair Haven stating the VMERS Board and Retirement Division do not provide legal opinions based on hypothetical statements and if there is specific factual information concerning an individual that the Town wishes to submit for

review, the Retirement Division can provide guidance on the application of the statute. This letter to Town of Fair Haven will be signed by the Retirement Office.

Jennifer Burdick left the meeting at this time.

ITEM 3: Employer and Employee Retirement Contribution Rates

Mr. Clasen requested to the Board that no changes are made to the Employer and Employee Contribution rates for all municipal groups for FY 18'. This request is being made due to the hiring of a new Actuary. The new Actuary will be conducting a replication audit to see if conclusions and results are similar to the actuary report completed by Buck Consultants. This Audit is expected to be completed this summer.

On motion by Mr. Clasen, seconded by Mr. Rawlee, the Board voted unanimously to approve continuing the existing rates that are currently used for FY 17', and continue them for FY 18' for both employees and employers in all groups under the Vermont Municipal Employees' Retirement System.

Mr. Clasen left the meeting at this time.

ITEM 4: Consideration of Appeal – Gregory Molgano

The Board discussed the Gregory Molgano appeal.

On motion by Mr. Hawley, seconded by Mr. Rowlee, the Board voted unanimously to deny the request by Gregory Molgano to allow him to purchase prior service credit for the period of time he worked at the Windham County Sherriff's Department from September 1, 2000 through November 16, 2001 on the grounds that section 5054(f) of Title 24 requires that any purchase of prior service credit be based on actual participation in a public retirement system and that in light of the fact that the Windham County Sherriff's Department did not enroll him during that period of time, he did not participate in a public retirement system.

Matt Considine and Katie Green arrived at this time.

ITEM 5: Director of Investments: VMERS Representative Discussion

The Investments staff is seeking a volunteer from each Retirement Board to assist with the 3rd Party Administrator Services RFP for various retirement plans such as 457 Deferred Compensation, 403b, SDIA, etc. Mr. Considine stated that he is anticipating evaluating responses from entities in March, with a finalist selected this summer and a go live date in quarter one of 2018. Mr. Considine is expecting that work can be handled electronically from the Board members who volunteer. Mr. Amons volunteered to represent the VMERS Board for this RFP process.

Matt Considine and Katie Green left the meeting at this time.

ITEM 6: Discuss/Act on Disability Retirement for:

▪ **Joanna Houston**

On motion by Mr. Hawley, seconded by Mr. Rowlee, the Board voted unanimously to accept the recommendation of the Medical Review Board for the disability retirement for Joanna Houston, with no further medical review.

**ITEM 7: Act on the following request to Join VMERS effective 1/1/17:
 ► Sharon School District**

On motion by Mr. Rowlee, seconded by Mr. Hawley, the board voted unanimously to approve the Sharon School District to join VMERS effective 1/1/2017.

ITEM 8: Any other business to come before the board

Mr. McCormick stated he has sent a message again to the governor's office regarding the vacant VMERS Board position.

Mr. McCormick stated that the annual meeting with Fidelity Investments will be happening on March 20, 2017. A time will be finalized in the next week.

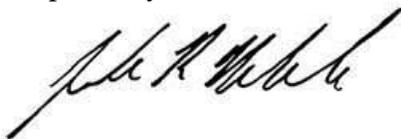
ITEM 9: Adjournment

On motion by Mr. Hawley, seconded by Mr. Rowlee, the Board voted unanimously to adjourn at 4:42 p.m.

Next Meeting Date:

March 20th, 2017 – Annual meeting with Fidelity Investments.

Respectfully submitted,



Joshua McCormick
Administrative Coordinator